



8011-01p  
SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From:  
Securities and Exchange Commission  
Office of FOIA Services  
100 F Street NE  
Washington, DC 20549-2736

Extension: Rules 15Ba1-1 through 15Ba1-8

SEC File No. 270-619, OMB Control No. 3235-0681

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission (“Commission”) is soliciting comments on the collection of information provided for in Rules 15Ba1-1 to 15Ba1-8 (17 CFR 240.15Ba1-1 to 17 CFR 240.15Ba1-8) – Registration of Municipal Advisors, under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) (the “Act”). The Commission plans to submit this existing collection of information to the Office of Management and Budget for extension and approval.

On September 20, 2013 (see 78 FR 67468, November 12, 2013), the Commission adopted Rules 15Ba1-1 through 15Ba1-8 and Rule 15Bc4-1 under the Act to establish the rules by which a municipal advisor must obtain, maintain, and terminate its registration with the Commission. In addition, the rules interpret the definition of the term “municipal advisor,” interpret the statutory exclusions from that definition, and provide certain additional regulatory exemptions. The rules became effective on January 13, 2014; however, on January 13, 2014, the Commission temporarily stayed such rules until July 1, 2014 (see 79 FR 2777, January 16, 2014). Section 15B(a)(1) of the Act makes it unlawful for a municipal advisor to provide advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities, or to undertake a solicitation of a municipal entity or obligated person, unless the municipal advisor is registered with the Commission. The rules, among other things (i) require municipal advisors to file certain forms (i.e., Form MA, Form MA-A, Form MA/A, Form MA-I, Form MA-I/A, Form MA-NR, and

Form MA-W) with the Commission to, as appropriate, obtain, maintain, or terminate their registration with the Commission and maintain certain books and records in accordance with the Act, and (ii) set forth how certain entities may meet the requirements of the statutory exclusions or regulatory exemptions from the definition of “municipal advisor.”

### Form MA

The Commission estimates that approximately 75 respondents will submit new Form MA applications annually in each of the next three years. The Commission further estimates that each submission will take approximately 3.5 hours. Thus, the total annual burden borne by respondents for submitting an initial Form MA application will be approximately 263 hours.<sup>1</sup> The Commission estimates that respondents submitting new Form MA applications would, on average, consult with outside counsel for one hour, at a rate of \$400/hour. Thus, the Commission estimates that the average total annual cost that may be incurred by all respondents filing new Form MA applications will be \$30,000.<sup>2</sup> In addition to filing initial Form MA applications, the rules require municipal advisors to amend Form MA once annually (Form MA-A) and after the occurrence of any material event (Form MA/A). The requirement to amend Form MA applies to all registered municipal advisors. There are currently approximately 668 municipal advisors registered with the Commission and, as noted above, the Commission anticipates receiving 225 new Form MA submissions over the next three years. Therefore, the Commission expects that the rules’ requirement to amend Form MA will apply to approximately 743 municipal advisors in year one, approximately 818 municipal advisors in year two, and approximately 893 municipal advisors in year three. The Commission estimates that completing an annual amendment would take a municipal advisor approximately 1.5 hours and completing a material event amendment would take 0.5 hours. The Commission further estimates that each municipal advisor will submit two amendments per year (one Form MA-A and one Form MA/A). Thus,

---

<sup>1</sup> 75 respondents x 3.5 hours.

<sup>2</sup> 75 respondents x (\$400/hour x 1 hour).

the Commission estimates that the average annual burden borne by respondents for amending Form MA during the three-year period will be approximately 1,636 hours.<sup>3</sup>

#### Form MA-I

The Commission estimates that it will receive approximately 950 new Form MA-I submissions annually. The Commission further estimates that each Form MA-I submission will take approximately three hours to complete. Thus, the total annual burden borne by respondents submitting Form MA-I will be approximately 2,850 hours.<sup>4</sup> The Commission also estimates that a Form MA-I respondent will submit 1.7 updating amendments per year (Form MA-I/A), and that each such amendment will take approximately 0.5 hours to complete. There are currently approximately 5,685 Form MA-Is on file with the Commission and, as noted above, the Commission expects to receive 2,850 Form MA-I submissions over the next three years. Therefore, the Commission expects the rules' requirement to amend Form MA-I to apply to approximately 6,635 Form MA-Is in year one, approximately 7,585 Form MA-Is in year two, and approximately 8,535 Form MA-Is in year three. Thus, the Commission estimates that the average annual burden borne by respondents submitting Form MA-I amendments during the three-year period will be approximately 6,447 hours.<sup>5</sup>

#### Form MA-W

The Commission estimates that it will receive 40 new Form MA-W submissions annually. The Commission further estimates that each Form MA-W submission will take approximately 0.5 hours to complete. Thus, the total annual burden borne by respondents submitting Form MA-W will be approximately 20 hours.<sup>6</sup>

#### Form MA-NR

---

<sup>3</sup> 818 respondents x 2 hours.

<sup>4</sup> 950 submissions x 3 hours.

<sup>5</sup> 7,585 Form MA-I/As x (1.7 amendments x 0.5 hours).

<sup>6</sup> 40 respondents x 0.5 hours.

The Commission estimates that three municipal advisors will have a non-resident general partner, non-resident managing agent, or non-resident associated person and such advisors will submit a total of approximately nine Form MA-NRs annually. The Commission further estimates that each Form MA-NR submission will take approximately 1.5 hours to complete. Thus, the total annual burden borne by respondents submitting Form MA-NR will be approximately 13.5 hours.<sup>7</sup> In addition, each respondent that submits a Form MA-NR must also provide an opinion of counsel. The Commission estimates that such an opinion of counsel would take three hours to complete, at a rate of \$400/hour. Thus, the Commission estimates that the total annual burden borne by respondents providing an opinion of counsel will be approximately nine hours.<sup>8</sup> The estimated average total cost that may be incurred by all respondents providing an opinion of counsel will be \$3,600.<sup>9</sup>

#### Consent to Service of Process

The Commission estimates that 75 new municipal advisors will have to develop a template document to use in obtaining written consents to service of process from their associated persons annually. The Commission further estimates that each template document will take approximately one hour to draft. Thus, the Commission estimates that the total annual burden borne by respondents developing a template document will be approximately 75 hours.<sup>10</sup> In addition, the Commission estimates that municipal advisors will need to obtain 950 new consents to service of process from associated persons annually. The Commission further estimates that, after the written consents are drafted, it will take municipal advisors approximately 0.10 hours to obtain each consent. Thus, the Commission estimates that the total annual burden borne by respondents obtaining consents to service of process will be 170 hours.<sup>11</sup>

---

<sup>7</sup> 3 respondents x (3 Form MA-NR submissions x 1.5 hours).

<sup>8</sup> 3 respondents x 3 hours.

<sup>9</sup> 3 respondents x (3.0 hours x \$400/hour).

<sup>10</sup> 75 respondents x 1 hour.

<sup>11</sup> 75 hours + (950 x 0.1 hours).

### Books and Records to be Maintained by Municipal Advisors

The Commission estimates 743, 818, and 893 municipal advisors will be subject to the books and records rules during each of the next three years, respectively. The Commission further estimates that the average annual burden for a municipal advisor to comply with the books and records requirement is approximately 182 hours. Thus, the Commission estimates that the average annual burden borne by respondents to comply with the books and records requirements during the three-year period will be approximately 148,876 hours.<sup>12</sup>

### Independent Registered Municipal Advisor Exemption

The Commission estimates that approximately 150 persons will seek to rely on the independent registered municipal advisor exemption annually. The Commission further estimates that the one-time burden of developing a written template disclosure document will be approximately one hour. Thus, the Commission estimates that the total one-time burden borne by respondents developing a template disclosure document will be approximately 150 hours.<sup>13</sup> The Commission also recognizes that respondents will be subject to a recurring burden each time they seek to rely on the exemption. The Commission estimates that respondents may seek the exemption on approximately 7,400 transactions annually. The Commission further estimates that the burden of obtaining the written representations needed from the municipal entity or obligated person client will be approximately 0.25 hours. Thus, the Commission estimates that the total annual burden borne by respondents seeking to rely on the independent registered municipal advisor exemption will be approximately 1,850 hours.<sup>14</sup>

### Definition of Municipal Escrow Investments Exemption

---

<sup>12</sup> 818 respondents x 182 hours.

<sup>13</sup> 150 respondents x 1 hour.

<sup>14</sup> 7,400 transactions x 0.25 hours.

The Commission estimates that approximately 700 respondents will seek to rely on the municipal escrow investments exemption. The Commission further estimates that the one-time burden of creating a template document to use in obtaining the written representations necessary to rely on the exemption will be approximately one hour. Thus, the Commission estimates that the total one-time burden borne by respondents developing a template document will be approximately 700 hours.<sup>15</sup> The Commission also recognizes that respondents will be subject to a recurring burden each time they seek to rely on the exemption. The Commission estimates the respondents will seek to rely on the exemption with approximately 8,620 municipal entity clients. The Commission further estimates that the burden of obtaining the required written representations from the respondent's client will be approximately 0.25 hours. Thus, the Commission estimates that the total annual burden borne by respondents seeking to rely on the municipal escrow investments exemption will be approximately 2,155 hours.<sup>16</sup>

#### Definition of Proceeds of Municipal Securities Exemption

The Commission estimates that approximately 880 respondents will seek to rely on the proceeds of municipal securities exemption. The Commission further estimates that the one-time burden of creating a template document to use in obtaining the written representations necessary to rely on the exemption will be approximately one hour. Thus, the Commission estimates that the total one-time burden borne by respondents developing a template document will be approximately 880 hours.<sup>17</sup> The Commission also recognizes that respondents will be subject to a recurring burden each time they seek to rely on the exemption. The Commission estimates that respondents will seek to rely on the exemption in connection with services provided to approximately 25,420 clients. The Commission further estimates that the burden of obtaining the required written consents from the

---

<sup>15</sup> 700 respondents x 1 hour.

<sup>16</sup> 8,620 clients x 0.25 hours.

<sup>17</sup> 880 respondents x 1 hour.

respondent's client will be approximately 0.25 hours. Thus, the Commission estimates that the total annual burden borne by respondents seeking to rely on proceeds of municipal securities exemption will be approximately 6,355 hours.<sup>18</sup>

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 30 days of this publication.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number. Please direct your written comments to: Pamela C. Dyson, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 100 F Street, NE, Washington, DC 20549 or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov).

Dated: February 8, 2017

Eduardo A. Aleman  
Assistant Secretary

---

<sup>18</sup> 25,420 clients x 0.25 hours.

